

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
FANSTEEL INC., <u>et al.</u> , ¹) Case No. 02-10109 (JJF)
Debtors.) (Jointly Administered)
_____)
FANSTEEL, INC.,)
Plaintiff,)
v.) Adv. Pro. No. 04- <u>51075</u> (JJF)
CROSSROADS BITS & SALES, L.L.C.,)
Defendant,)
_____)

**COMPLAINT FOR AVOIDANCE
AND RECOVERY OF PREFERENTIAL TRANSFERS**

Plaintiff, Fansteel, Inc., for its Complaint for Avoidance and Recovery of
Preferential Transfers, alleges as follows:

The Parties

1. On January 15, 2002 (the "Petition Date"), Fansteel, Inc., Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg., Co., Phoenix Aerospace Corp., and American Sintered Technologies, Inc. (collectively, the "Debtors"), filed voluntary petitions for relief under Chapter 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware ("the

¹ The Debtors are the following entities: Fansteel Inc.; Fansteel Holdings, Inc., Custom Technologies Corp., Escast, Inc., Wellman Dynamics Corp., Washington Mfg. Co., Phoenix Aerospace Corp., and American Sintered Technologies, Inc.

Bankruptcy Court”). The Debtors’ respective Chapter 11 cases have been procedurally consolidated for administrative purposes. The Debtors continue to operate their business and manage their affairs as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. No request was made for the appointment of a trustee or examiner in the Debtors’ Chapter 11 Cases. On January 28, 2002, an Official Committee of Unsecured Creditors was appointed by the United States Trustee.

3. Defendant Crossroads Bits & Sales, L.L.C. (“Defendant”) is a limited liability company formed under the laws of the State of Virginia. Defendant was, at all times material hereto, a vendor to the Debtors.

Jurisdiction and Venue

4. The Court has jurisdiction over this matter under the Bankruptcy Code pursuant to 28 U.S.C. § 157(a) and § 1334(a).

5. Venue in this district is proper pursuant to 28 U.S.C. § 1409(a).

6. This adversary proceeding is commenced pursuant to Rule 7001(1) of the Federal Rules of Bankruptcy Procedure and is a core proceeding under 28 U.S.C. § 157(b).

First Claim for Relief

(Avoidance of Preferential Transfers – 11 U.S.C. § 547)

7. Plaintiff repeats and realleges the allegations in above paragraphs 1 through 6, inclusive, as though fully set forth at length.

8. Within ninety days prior to the Petition Date, the Debtors made transfers of its property to or for the benefit of Defendant in the total sum of \$12,070.84 (the “Transfers”),

including the specific transfers reflected on Exhibit "A" hereto, which is incorporated herein by this reference.

9. The Transfers to Defendant were each on account of an antecedent debt owed by the Debtors to Defendant before the Transfers were made.

10. The Transfers were made while the Debtors were insolvent.

11. The Transfers to Defendant enabled it to receive more than it would have received if the Debtor's Case were a case under Chapter 7, if the Transfers had not been made, and if Defendant received payment on the debt to the extent provided by Title 11 of the U.S. Code.

12. Plaintiff is entitled to an order and judgment under 11 U.S.C. § 547 that the Transfers are avoided.

Second Claim for Relief

(For Recovery of Property – 11 U.S.C. § 550)

13. Plaintiff repeats and realleges paragraphs 1 through 12, above as though fully set forth herein.

14. As alleged above, Plaintiff is entitled to avoid the Transfers pursuant to 11 U.S.C. § 547. As the Defendant is the initial transferee of the Transfers, Plaintiff is entitled to recover for the Estate the proceeds or value of the Transfers pursuant to 11 U.S.C. § 550.

WHEREFORE, the Plaintiff prays for judgment as follows:

1. For a determination that the Transfers are avoidable as preferential transfers pursuant to Section 547 of the Bankruptcy Code, and that the Estate is entitled to recover the transfers pursuant to Section 550 of the Bankruptcy Code;

2. For costs of suit incurred herein and pre-judgment interest; and
3. For such other and further relief as the Court may deem just and proper.

Dated: January 12, 2004

PACHULSKI, STANG, ZIEHL, YOUNG, JONES
& WEINTRAUB P.C.



Laura Davis Jones (DE Bar No. 2436)
James E. O'Neill (DE Bar No. 4042)
Michael P. Migliore (DE Bar No. 4331)
P.O. Box 8705
919 North Market Street, 16th Floor
Wilmington, DE 19899 (Courier 19801)
Telephone: (302) 652-4100
Facsimile: (302) 652-4400

– and –

Jason S. Pomerantz (CA Bar No. 157216)
Steven J. Kahn (CA Bar No. 76933)
10100 Santa Monica Blvd., 11th Floor
Los Angeles, California 90067-4100
Telephone: (310) 277-6910
Facsimile: (310) 201-0760

Counsel for Fansteel, Inc.

CROSSROADS BITS & SALES
EXHIBIT A
TRANSFERS MADE WITHIN 90 DAYS PRIOR TO FILING
FANSTEEL, INC., ET AL.

<i>DEBTOR</i>	<i>CHECK NO.</i>	<i>CHECK DATE</i>	<i>PAID AMT</i>
Fansteel Inc.	58566	12/21/2001	\$8,693.91
Fansteel Inc.	14597	10/19/2001	\$3,376.93
		TOTAL GROSS PAYMENTS:	\$12,070.84

Open Adversary Case

U.S. Bankruptcy Court

District of Delaware

Notice of Electronic Filing

The following transaction was received from Jones, Laura entered on 1/12/2004 at 11:28 AM EST and filed on 1/12/2004

Case Name: Fansteel Inc. v. Crossroads Bits & Sales, L.L.C.

Case Number: 04-51075-JJF

Document Number: 1

Case Name: Fansteel Inc.

Case Number: 02-10109-JJF

Document Number: 1859

Docket Text:

Complaint by Fansteel Inc. against Crossroads Bits & Sales, L.L.C.. Fee Amount \$150 Nature of Suit: 454 (Recover Money/Property). (Jones, Laura)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:\\PSZY1_DE\Data\EFileDocuments\Fansteel Adversary Filings\Crossroads Bits & Sales\Complaint.pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=983460418 [Date=1/12/2004] [FileNumber=2223053-0]
[9da8074753b5809ed09ec8d7afccb27e2976fc5b87e2c1eae36d8c5be2d96e110ca6
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Document description:Main Document

Original filename:\\PSZY1_DE\Data\EFileDocuments\Fansteel Adversary Filings\Crossroads Bits & Sales\Complaint.pdf

Electronic document Stamp:

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8a4ed9154af8c56937e553dff65cb3e76cc4bc5792586580232b833cd649]]

04-51075-JJF Notice will be electronically mailed to:

Laura Davis Jones ljones@pszyj.com, efile@pszyj.com

Steven J. Kahn skahn@pszyjw.com,

04-51075-JJF Notice will not be electronically mailed to:

James E. O'Neill
Pachulski Stang Ziehl Young & Jones
919 North Market Street
16th Floor

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
FANSTEEL INC., <u>et al.</u> , ¹)	Case No. 02-10109 (JJF)
)	
Debtors.)	(Jointly Administered)
FANSTEEL, INC.,)	
)	
Plaintiff,)	
v.)	Adv. Pro. No. 04- <u>51075</u> (JJF)
CROSSROADS BITS & SALES, L.L.C.,)	
)	
Defendant.)	

**SUMMONS AND NOTICE OF PRETRIAL CONFERENCE
IN AN ADVERSARY PROCEEDING**

YOU ARE SUMMONED and required to file a motion or answer to the complaint which is attached to this summons with the clerk of the bankruptcy court within 30 days after the date of issuance of this summons, except that the United States and its offices and agencies shall file a motion or answer to the complaint within 35 days.

Address of Clerk: United States Bankruptcy Court 824 Market Street, 5 th Floor Wilmington, DE 19801
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At the same time, you must also serve a copy of the motion or answer upon the plaintiff's attorney. Name and Address of Plaintiff's Attorneys:

PACHULSKI, STANG, ZIEHL, YOUNG, JONES & WEINTRAUB P.C.

Laura Davis Jones (DE Bar No. 2436) James E. O'Neill (DE Bar No. 4042) Michael P. Migliore (DE Bar No. 4331) P.O. Box 8705 919 North Market Street, 16th Floor Wilmington, DE 19899 (Courier 19801) Telephone: (302) 652-4100 Facsimile: (302) 652-4400	Jason S. Pomerantz (CA Bar No. 157216) Steven J. Kahn (CA Bar No. 76933) 10100 Santa Monica Blvd., 11th Floor Los Angeles, California 90067-4100 Telephone: (310) 277-6910 Facsimile: (310) 201-0760
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If you make a motion, your time to answer is governed by Fed. R. Bankr. P. 7012.

YOU ARE NOTIFIED that a pretrial conference of the proceeding commenced by the filing of the complaint will be held at the following time and place.



Address: 824 Market Street Wilmington, DE 19801	Court Room: To be determined Date and Time: To be determined
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IF YOU FAIL TO RESPOND TO THIS SUMMONS, YOUR FAILURE WILL BE DEEMED TO BE YOUR CONSENT TO ENTRY OF A JUDGMENT BY THE BANKRUPTCY COURT AND JUDGMENT BY DEFAULT MAY BE TAKEN AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT.

**United States Bankruptcy
Court for the District of Delaware**

Date: January 13, 2004

DOCKET # 3

DATE 1/13/04

/s/ David D. Bird
Clerk of the Bankruptcy Court

¹ The Debtors are the following entities: Fansteel Inc.; Fansteel Holdings, Inc.; Custom Technologies Corp.; Escast, Inc.; Wellman Dynamics Corp.; Washington Mfg. Co.; Phoenix Aerospace Corp.; and American Sintered Technologies, Inc.

CERTIFICATE OF SERVICE

I, James E. O'Neill, Esquire, certify that I am, and at all times during the service of process was, not less than 18 years of age and not a party to the matter concerning which service of process was made. I further certify that the service of this summons and a copy of the complaint was made January 13, 2004 by:

☒ Mail Service: Regular, First Class United States mail, postage fully pre-paid, and Certified Mail, Return Receipt Requested addressed to:

Crossroads Bits & Sales, L.L.C.
Attn: Officer/Director/Manager/Partner
7921 South Fork Road
Pound, VA 24279

Mike Prichard, Registered agent for Crossroads Bits & Sales, L.L.C.
7921 South Fork Road
Pound, VA 24279

☐ Personal Service: By leaving the process with defendant or with an officer or agent of defendant at:

☐ Residence Service: By leaving the process with the following adult at:

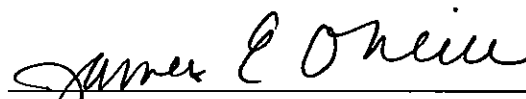
☐ Certified Mail Service on an Insured Depository Institution: By sending the process by certified mail addressed to the following officer of the defendant at:

☐ Publication: The defendant was served as follows: {Describe briefly}

☐ State Law: The defendant was served pursuant to the laws of the State of _____,
as follows: {Describe briefly} (name of state)

Under penalty of perjury, I declare that the foregoing is true and correct.

Dated: January 13, 2004


James E. O'Neill

Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C.
James E. O'Neill
919 North Market Street, 16th Floor
P.O. Box 8705
Wilmington, DE 19899-8705 (Courier 19801)

Complaint/Summons:

04-51075-JJF Fansteel Inc. v. Crossroads Bits & Sales, L.L.C.

U.S. Bankruptcy Court

District of Delaware

Notice of Electronic Filing

The following transaction was received from Jones, Laura entered on 1/13/2004 at 1:58 PM EST and filed on 1/13/2004

Case Name: Fansteel Inc. v. Crossroads Bits & Sales, L.L.C.

Case Number: 04-51075-JJF

Document Number: 3

Docket Text:

Summons and Notice of Pretrial Conference *in an Adversary Proceeding* (related document[1])
(Attachments: # (1) Certificate of Service) (Jones, Laura)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:\\PSZY1_DE\Data\EFileDocuments\Fansteel Adversary Filings\Crossroads Bits & Sales\Summons.pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=983460418 [Date=1/13/2004] [FileNumber=2228062-0]
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Document description:Certificate of Service

Original filename:\\PSZY1_DE\Data\EFileDocuments\Fansteel Adversary Filings\Crossroads Bits & Sales\Cert of Service.pdf

Electronic document Stamp:

[STAMP bkecfStamp_ID=983460418 [Date=1/13/2004] [FileNumber=2228062-1]
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9635c29ce72e6543360403da58e0f8c84163c3aaacb29be6b548bef9288f]]

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